

## NORTH OGDEN CITY COUNCIL MEETING MINUTES

March 5, 2015

The North Ogden City Council convened in an open meeting on March 5, 2015 at 8:14 a.m. in the North Ogden City Council Chambers at 505 East 2600 North. Notice of time, place and agenda of the meeting was delivered to each member of the City Council, posted on the bulletin board at the municipal office and posted to the Utah State Website on March 3, 2015. Notice of the annual meeting schedule was published in the Standard-Examiner on December 21, 2014.

PRESENT:	Brent Taylor	Mayor
	Kent Bailey	Council Member
	Lynn Satterthwaite	Council Member
	Cheryl Stoker	Council Member
	Phillip Swanson	Council Member
	James Urry	Council Member
STAFF PRESENT:	Bryan Steele	Finance Director/City Administrator
	Annette Spendlove	City Recorder/HR Director
	Stacie Cain	Deputy City Recorder
	Craig Giles	Public Works Director
	Gary Kerr	Building Official
	Kevin Warren	Police Chief
	Tiffany Staheli	Parks & Recreation Director
	Rob Scott	City Planner
VISITORS:	Steve Rasmussen	
	Matt Hartvigsen	

Mayor Taylor welcomed those in attendance. Council Member Satterthwaite offered the invocation and led those present in the pledge of allegiance.

### **ACTIVE AGENDA**

#### **1. PUBLIC COMMENTS**

Steve Rasmussen, 1092 E. 3250 N., stated in his professional career he had the opportunity to participate in project and financial planning and he is looking forward to see how the City does similar planning. He would like to know that taxpayer money is spent appropriately and he is interested in the budget development process.

## **2. PAST YEAR HIGHLIGHTS**

Mayor Taylor provided a presentation summarizing the City's accomplishments over the past year. The list of accomplishments included grant awards, planning efforts, commencing the process of updating the City's General Plan, capital projects, capital purchases, redevelopment efforts, and economic development projects. There was a brief focus on the discussions that have taken place relative to the library renovation project as well as the potential to expand the library outside of the original renovation plans.

**\*\*The meeting recessed at 9:50 a.m.\*\***

**\*\*The meeting reconvened at 10:10 a.m.\*\***

## **3. REVENUE TRENDS AND PROJECTIONS**

Finance Director/City Administrator Steele used the aid of a PowerPoint presentation to summarize revenue projections for the City for the upcoming Fiscal Year (FY). He identified the General Fund revenue sources for FY 2014-2015, noting the bulk of the General Fund is made up of general taxes consisting sales tax, property tax, and utility tax. He reviewed a chart comparing the City's financial condition from 2010 to current, after which he reviewed a chart comparing sales tax revenues over the past five years. He indicated sales tax revenues continue to increase in the City and noted that if the trend continues the project sales tax revenues in the current FY budget will be exceeded by approximately \$160,000. There was a brief discussion regarding the manner in which sales tax revenues will increase as the economic development projects come to fruition and the City's population continues to grow. Mr. Steele then reviewed the property tax distribution schedule breaking down the percentages of property taxes that are dedicated to different entities throughout Weber County, noting the City receives 11 percent of the property tax paid by North Ogden City residents. Council Members expressed their concerns regarding the fact that the North View Fire District receives eight percent of the property tax distribution, noting that there is no elected representation in the District. Mayor Taylor stated that this can be discussed in more depth during future meetings and he noted that he has spoken with the Pleasant View City Mayor about the City's concerns. Mr. Steele then provided a comparison of the City's property tax rate to the other cities located in Weber County, noting four cities have higher property tax rates than North Ogden. He concluded his focus on property taxes by providing a five year history of the City's property tax revenues. Council Member Urry inquired as to the last time the City's property tax rate was increased, to which Mayor Taylor answered 2009 and he noted the percent increase was 4.25; he noted that tax increases are very unpopular and he was surprised that the Council at that time went through with the increase due to the fact that actually generated a very small amount of money. There was a brief discussion regarding other options for increasing revenues in the City, such as a utility rate increase or a new fee that would be dedicated solely to a certain project or function. Mr. Steele then reviewed building permit data in the City for the past five years, after which he discussed potential statewide legislation to address transportation funding; a \$.10 sales tax and an increase in the fuel tax are being considered. Currently the Fuel tax is 24.5 cents per gallon and would change to a sales tax based on the rack price of a barrel of oil. If passed, the legislation will not take effect



until July of 2016. Staff estimates either proposal would generate an additional \$200,000 in the City for transportation funding. He then discussed utility fees, noting every \$1 increase in utility fees would equate to an additional \$68,400 in new revenue. Funds can be set up so any revenue brought in by a charge to a residence would be dedicated for expenditure of that purpose. Mayor Taylor stated he is supportive of a street lighting fee and noted the revenues could be dedicated for new street lights to be installed in the next budget year. There are many under-lit areas in the City and it is currently necessary to install approximately 400 new street lights. He added that if the State Legislature does not take decisive action on transportation funding, it may be necessary for the City to investigate options for increasing funding sources for transportation projects. The money could also be used as matching funds for transportation grant opportunities. Council Member Urry stated he is hesitant to increase too many fees in the City, especially in the same year that the State may be increasing sales and gas taxes. The Council then had a general discussion about street lighting needs throughout the City, with Mayor Taylor noting staff receives regular complaints about the lack of lighting in the City. Discussion then centered on transportation funding needs, with Mayor Taylor noting it is necessary to consider funding sources for maintenance projects as well as funding sources for new projects; it will be difficult to have detailed discussions about those issues without a full understanding of the action the State Legislature will take relative to transportation funding.

#### **4. FUND BALANCE REVIEW**

Mr. Steele reviewed the estimated fund balances at the end of the FY2014-2015 budget.

- General Fund - \$850,000 (Approximately 15% of General Fund Revenues)
- Capital Projects Fund - \$319,753
- Water Fund - \$1,961,668 (Takes into consideration purchase of water meters)
- Sewer Fund - \$1,531,283
- Storm Water - \$1,937,019
- Solid Waste - \$28,461
- Motor Pool - \$228,949
- Police Motor Pool - \$91,534
- RDA - \$980,184

#### **5. CONSIDERATIONS FOR 2015-2016 FISCAL YEAR BUDGET**

##### **A. GENERAL ITEMS**

##### **I. SALARIES**

Mr. Steele explained each one percent salary increase equates to General Fund and Enterprise Fund increases of \$34,000 and \$5,500 respectively. He noted staff needs to understand how Council would like to proceed in regards to salary adjustments; options include working towards an equity adjustment for employees at the conclusion of a salary survey; provide a merit increase based on performance evaluations; provide a combination of the two; or take no action at this time. He indicated the beginning proposal from the Administration is to provide a five percent increase to be allocated to individual employees based upon performance. Council Member Urry

inquired as to the impact a five percent increase would have on the General Fund, to which Mr. Steele answered approximately \$170,000. Discussion regarding staffing levels in the City ensued, with Mayor Taylor noting the City has fewer employees than most comparable cities, but pays them less. He feels a small increase would go a long way with the employees.

Council Member Bailey inquired as to how the Administration arrived at the five percent increase recommendation. Mayor Taylor stated five percent would afford Department Heads the ability to offer equity adjustments while leaving additional money to provide merit increases at the same time. Council Member Urry stated he would like detailed information regarding the amount of money that each employee stands to receive. Discussion then centered on the history of compensation efforts in the City, after which Mayor Taylor asked each Department Head to provide a brief overview of how they intend to use the five percent in their respective department. At the conclusion of Department Head reports, Council Member Urry indicated he feels all salary increases should be dependent upon performance reviews. Council Member Bailey added that he does not feel tenure should be a big factor when considering a salary increase for an employee. He then referenced recommendations made by the City's Employee Compensation Committee and asked the Department Heads if they are comfortable with those recommendations. City Recorder/Human Resources Spendlove noted that the concerns she has about the recommendations from the Committee were that they were based on private sector data as well as public sector data and some of the recommendations were somewhat unreasonable and unfairly created unrealistic expectations for employees.

## **II. HEALTH INSURANCE**

Mr. Steele then shifted his focus to employee benefits; he summarized the medical insurance offerings, noting there are 34 employees on the Traditional Health Plan and 10 employees on the High Deducible Health Plan (HDHP). He offered a background of medical benefits as follows:

- The HDHP was offered as a way to save the City money.
- The City pays 85% of the Traditional Health Plan premium
- The City pays 90% of the HDHP premium
- This was done to incentivize employees to go to the HDHP which would save the City money. This will be the 3<sup>rd</sup> year of offering the HDHP.
- Does the City Council want to equalize the percentage of premium paid for the 2 health plans?
  - » If the City pays for 90% for all plans, it would cost the city about \$22,000

Ms. Spendlove offered information regarding the amount of money the City and employee pays for insurance premiums. Council Member Bailey asked that staff check to find out how other cities are handling medical benefits and the portion of the premium that they pay for their employees. Ms. Spendlove stated she will gather that information. She added she has also worked very hard to keep premium increases low each year. Mayor Taylor added it may be necessary to develop a comprehensive plan for incentivizing employees to transition to the HDHP; the plan needs to be developed in a manner that it will not be interpreted as penalizing employees that opt for the traditional health plan.



Mayor Taylor then recapped the discussion to ensure everyone has the same understanding of the manner in which staff will proceed. He noted Ms. Spendlove will email the salary survey to all Council Members to provide information regarding the comparison that was done for similar employment positions in other cities. He stated individual Department recommendations for how they would utilize a five percent increase will also be emailed to the Council Members. Staff will also research benefits offered in other cities, specifically whether HDHP's are offered and what percentage of the premium the employer and employee pay for those plans. Council Member Satterthwaite stated he would also like information regarding retirement, severance, and other benefits employees may have access to.

Council Member Swanson stated that at some point it is necessary for employees to understand what things are like in the private sector. He stated employees need to understand that their salaries may be somewhat low, but they are eligible to have a large portion of their health insurance premiums paid for by the City, which does not happen in the private sector. Council Member Bailey stated he feels employees understand that, but maybe they do not know what that translates to in dollars and cents. Ms. Spendlove noted that employees receive information telling them the total amount the City is spending on them, not just what they earn on their paycheck. She added the Utah Retirement System (URS) provides employees with regular statements indicating the amount of money that is being contributed to a retirement account on their behalf.

### **III. RETIREMENT**

Mr. Steele noted there will be no increase in the City's required contribution to the Utah Retirement System for employees.

**\*\*The meeting recessed for lunch at 11:59 a.m.\*\***

**\*\*The meeting reconvened at 12:26 p.m.\*\***

### **III. INTERNAL SERVICE FUNDS**

Parks and Recreation Director Staheli provided a brief history of Parks Department staffing, noting last year the Parks Department hired two permanent part-time employees to replace a full-time Assistant Park Supervisor. However this brought about some challenges; because the employees were not full-time; they did not qualify for some benefits and chose to look for other jobs. The change basically backfired on the City and now she is recommending that the Department transition back to a full-time employee called Irrigation Specialist in order to recruit more candidates that have more irrigation experience and can actually work on the City's sprinkler systems. Council Member Satterthwaite inquired as to the budget implications of the proposal. Mr. Steele stated that it will equate to an annual budget increase of \$22,500. Discussion centered on the availability of people that could meet the requirements of the position, with Ms. Staheli indicated she feels it will be fairly easy to fill the position. Discussion

then centered on the recommended \$17.50 per hour salary for the employee, with Mr. Steele noting most of the budget increase is related to benefit costs.

#### **IV. ENGINEERING FEES**

Mr. Steele reviewed an analysis of fees paid to Jones & Associates over last five Fiscal Years.

2010	\$ 116,861
2011	\$ 95,670
2012	\$ 160,436
2013	\$ 157,781
2014	\$ 152,748
2015 -YTD	\$ 161,034

The firm has worked on much larger projects this year including:

- Public Works Building
- General Plan Update
- Monroe Blvd
- Restroom Renovation
- Support for writing of Grant Applications

City Engineer Hartvigsen provided a brief description of the types of projects that his firm works on in other cities, after which there was a focus on the potential of completing certain engineering work in-house rather than outsourcing it. He also indicated there are unseen costs with employing a full-time in-house engineer. He then summarized the service he provides for North Ogden and identified important relationships he has developed with many of the commercial and residential developers doing work in North Ogden.

Mr. Steele then explained that with the completion of the Public Works facility this year, staff will look at setting up the Building Maintenance Fund; this would be set up similar to the Motor Pool Fund. It would help collect depreciation on buildings to save for future capital needs. Council Member Bailey stated he feels this is a good idea. Mr. Steele stated that the idea is patterned after the practice used in Brigham City, but the model is not quite as strict.

Mr. Steele then reminded the Council that staff plans to fully fund the Motor Pool Fund this year as has been planned for in the past couple of years. This equates to taking \$73,000 from the General Fund and \$43,000 from Enterprise Funds. Council Member Bailey stated he has often wondered why there are two motor pool funds and noted he would like to consolidate into one fund; he suggested steps be taken to achieve that consolidation. Mr. Steele stated he can identify a plan that would achieve consolidation of the two motor pool funds.



## **VI. UTILITY FEES**

Mr. Steele then noted City Administration will make recommendations for increases of utility fees; the Water Fund is short of fully funding itself by \$2.50 per residence per month, but it is necessary to evaluate the usage rate structure to determine whether modifications are appropriate and needed to encourage water conservation. The Sewer Fund is short of fully funding itself by \$.75 per residence per month; the Storm Water Fund is short of fully funding itself by \$1.15 per residence per month; and the Solid Waste Fund is fully funding itself and could possibly sustain a rate decrease this year. He concluded the needed increase to insure all funds are fully funding themselves is \$4.40 per residence per month.

Council Member Urry expressed his concerns about charging a storm water fee for water that is ultimately dumped in ditches and private property. Mayor Taylor stated one reason it is necessary to raise rates is to provide money to pipe those ditches and eliminate flooding situations on private property.

Council Member Satterthwaite indicated he compared the City's rates with utility rates for Ogden City and if all rates were kept the same, but a new usage rate structure were adopted, it would be possible to increase the water fund balance by \$9,100 per year. Mayor Taylor stated depreciation costs are approximately \$12,500 so Council Member Satterthwaite's proposal would come close to funding that depreciation. He added such a change to the utility rate structure would likely be more popular among residents than a utility rate increase. Council Member Urry agreed. The entire Council concluded they would be in favor of considering amending the usage rate structure, with Council Member Swanson stating he would also be comfortable charging a water pumping fee for residents that live at higher elevations. Mayor Taylor stated that may be addressed through the review of the City's impact fees. This led to a discussion regarding impact fees charged in North Ogden compared to impact fees charged in other cities, with Mr. Hartvigsen indicating he feels the City's fees are average when compared to other cities.

## **B. CAPITAL PROJECTS**

### **I. CAPITAL FACILITIES PLAN REVIEW**

Mr. Steele then noted that in reviewing Capital Projects this year, it was determined that it is necessary to update the Capital Facilities Plan. The original Plan was created in 1997 and was updated in 2006. However the update in 2006 was mainly crossing off those projects that had been completed since 1997. He noted the City needs to update the plan in order to correctly update impact fees. Also, it is necessary to update the plan so that the City's five to ten year plan is accurate. A lot of the projects from the 1997 and 2006 plans were no longer applicable. Council Member Bailey noted he would rather long-term plans have a 20 year horizon rather than 10 years. Mr. Hartvigsen noted that when evaluating the Capital Facilities Plan, projects are identified based upon the projected build out of the City and those projects are then prioritized based on more urgent needs over the next 10 years in order to determine appropriate impact fees.

## **II. REVIEW OF INFRASTRUCTURE MAPS**

- 1. STREET LIGHTS**
- 2. SIDEWALK**
- 3. STREET REPAIR**
- 4. WATER**
- 5. SEWER**
- 6. STORM WATER**

Mr. Hartvigsen reviewed the above referenced maps and noted each map identifies proposed projects to be completed throughout the City as well as a history of projects that have been completed. He detailed the purpose of each map legend to enable the Council to understand each map.

**\*\*The meeting recessed at 1:32 p.m.\*\***

**\*\*The meeting reconvened at 1:47 p.m.\*\***

There was a brief focus on the costs of road projects, with Mr. Hartvigsen noting that a road rebuild project is approximately six times the cost of milling and overlaying an existing road; it is best to appropriately maintain roads to keep moisture out of the road, which is the biggest cause of road deterioration. Council Member Bailey stated one thing he saw in Brigham City that he liked is that they were able to use a 25 year Capital Facilities Plan that has identified every segment of road in the city and identifies projects to be completed on each road; there was also a cost associated with each project so that the Brigham City Council could use the document to assist them in budgeting. Public Works Director Giles noted similar data is included in the City's iWorQs system; all roads are included in the system and the condition of each road is being added to the system as well. He noted the only thing that is missing from the system is historical data. The Council discussed data included in the iWorks system, noting it would be valuable to have historical data in order to better understand what projects have been completed and what will need to be done in the future. Mr. Giles stated it will be possible to include historical data that is available in the City's GIS system.

Council Member Bailey inquired as to who is responsible to monitor the condition of the City's roads and determine when maintenance or replacement work is needed. Mr. Hartvigsen stated road monitoring is a cooperative effort between himself and Mr. Giles' department. Council Member Satterthwaite stated it would be helpful to have that information prior to the annual budget retreat. Mr. Giles stated that his Department is constantly updating iWorQs and data from that system could be made available to the City Council prior to upcoming budget retreats. He added it is important to coordinate road and utility infrastructure projects so that a road is not replaced only to be cut into later to replace utilities. Council Member Bailey stated it is necessary to understand the types of reports the iWorQs system can generate in order to help the budget preparation process be more effective. Council Member Swanson agreed and noted that he would also like to understand the recommended priority of the projects that may be included on the street map and in any report that may be provided by staff. Mayor Taylor added



transportation funding changes are very important and he facilitated a discussion regarding the implications of proposed State legislation that is currently being considered by the legislature.

Mr. Giles then reviewed a map identifying the proposed road projects to be completed in the upcoming Fiscal Year using existing B&C road funding, which is \$414,000. Discussion again centered on local transportation funding sources.

Mr. Hartvigsen then refocused on the various maps included in the packet, with a focus on the water map; he indicated all yellow markers on the map represent known water leaks. He also identified proposed project areas as well as reviewed the history of water projects throughout the City. This led to a discussion regarding the water wells within the City and the City's ability to drill additional wells to provide more water in the City. Mayor Taylor stated this year he is hopeful it will be possible to drill a test well and a new well to further increase the City's water supply. There was a discussion about the most viable locations for an additional well in the City, with Mr. Hartvigsen noting it is best to select a site that will require minimal pumping. He noted he likes the Cold Water location and noted it has shown signs of having sufficient water, but there are no guarantees and that is why a test well is so important. The City currently has water rights in the canyon, but it is still possible that the site may be protested by other water rights holders. He identified other potential well sites, noting some of them are already secured and will not be protested. Mayor Taylor stated it is not necessary to make a decision on this immediately, but he will likely ask for a decision at the next budget retreat meeting.

**\*\*The meeting recessed at 3:14 p.m.\*\***

**\*\*The meeting reconvened at 3:29 p.m.\*\***

Mr. Hartvigsen then reviewed the storm water map and identified future detention basin projects as well as existing drainage ditches and the points at which they discharge. He has engaged in discussions with several property owners regarding the possibility of relocating or piping drainage ditches in the City. Much ditch piping work is necessary to accommodate the future extension of Monroe Boulevard. Discussion then centered on the storm drain work needed in conjunction with the Woodfield Farms project in the area of 1700 North; the project will impact storm drainage infrastructure that runs under Washington Boulevard and Mr. Hartvigsen stated that the developer has agreed to pay for the work to cross Washington Boulevard. He also referenced the mud creek drainage canal and stated his goal is to eliminate canals used in the City's storm water system. He briefly revisited additional projects, and concluded he would like to prepare a new storm sewer master plan for the City in the near future. Such a plan will set forth the fees that should be charged to developers for any project they wish to complete in the City.

Mr. Hartvigsen then reviewed the sewer map; the City has budgeted \$250,000 to \$300,000 for the past five to ten years to line sewer pipes that are in need of repair; he identified on the map the areas that have been relined as well as the areas that will be done in the future. The projects are very low impact and do not require tearing up a road to complete. It could take an additional five to ten years after 2020 to complete all slip lining projects. New sewer projects have used

PVC pipe rather than metal pipes that are more easily compromised. Other sewer projects include manhole covers that need to be raised but the costs for these projects are minimal.

Building Official Kerr reviewed the City's street lighting map. He noted that blue markers represent existing street lights and red markers represent the locations where street lights should be located according to the City's ordinance. Council Member Bailey asked if the street lights are included in the City's GIS system or iWorks. Mr. Giles stated all street lights are included in the iWorks system. He noted there have been problems with trying to get the iWorks and GIS systems to communicate with one another. Discussion then centered on the street lights that should be installed in the near future, with Mayor Taylor concluding that 100 new lights could be installed at a rate of 20 lights per year for the next five years. He noted he feels a street lighting fee is necessary to facilitate the needed projects.

**\*\*The meeting recessed at 4:40 p.m.\*\***

**\*\*The meeting reconvened at 4:49 p.m.\*\***

### **III. 2015-2016 CAPITAL PROJECT & CAPITAL EQUIPMENT REQUESTS**

Mr. Steele provided an overview of Capital Project and Capital Equipment Purchase requests by Department; there was input from the respective Departments responsible for each of the capital requests.

- Parks, Recreation, & Aquatic Center
  - Renovate Oaklawn Restroom – CDBG Grant (\$233,000) \$320,000
  - Resurface Walking Trails at McGriff Park \$40,000
  - Landscaping City Hall \$5,000
  - Pave Picnic Area at Oaklawn Park \$25,000
  - Fence Parks and Recreation Administration Building \$3,200
  - Slide Replacement for toy feature at Aquatic Center \$5,000
  - Replace Heating System at Pool Locker Rooms \$2,200
  - Install Gate at Aquatic Center \$1,500
  - Replace Kubota Tractor – (Motor Pool Fund) \$45,000
  - Replace Two Utility Trailers – (Motor Pool Fund) \$3,500
  - 100 Gallon Pesticide Sprayer \$4,500
  - IHC Trail Connection to Smith's – RDA Fund \$27,500
  - Dog Park Construction – paid for with Dog License Surcharge \$4,500

There was brief Council discussion regarding some of the projects, with a focus on the equipment purchases that will be paid for by the Motor Pool Fund. Council Member Urry asked that the capital projects and equipment purchases be prioritized by Ms. Staheli. Discussion also centered on the dog license surcharge for the dog park construction, with Mayor Taylor noting he has received more complaints regarding that fee than any other topic since has been serving as an elected official in North Ogden.



- Water
  - Equipping new well \$600,000
  - Waterline Replacement – Coldwater Subdivision \$400,000
  - Polaris Ranger \$14,000

There was a discussion about some grant opportunities available for the waterline replacement project in the Coldwater Subdivision, such as CDBG grant funds.

- Sewer
  - Sewer Main Rehab \$300,000
  - Manhole Rehab \$20,000
  - Sewer Line Flush Truck \$400,000
  - Replace Pick-up Truck \$36,511

Mr. Giles stated that the existing sewer line truck will be sold and could generate \$70,000 in sale proceeds; he has saved \$250,000 for the truck, so he could actually only end up spending \$80,000 on the new truck. He noted the truck is very important and is used on a daily basis in the City.

- Storm Water
  - 1500 N. Piping to Mud Creek Basin – (This Fiscal Year?) \$250,000
  - Cold Creek Village Regional Detention Basin \$310,000
  - Leaf Truck \$160,000

There was a discussion regarding the leaf truck purchase, with Mr. Giles stated the equipment is very popular with citizens.

- Streets
  - Maintenance Projects – Overlay, Seals, etc. \$425,000
  - Purchase of ROW for Washington Blvd. Widening \$2,464,000

Council Member Urry inquired as to the City's matching funds for the ROW purchase funds and which fund those matching funds will come from. Mayor Taylor stated the City will need to pay \$240,000 and it will come from the General Fund or a potential transportation utility fund. He noted the grant funding will be spread over two years; \$1.7 will be provided in the next fiscal year with the additional \$800,000 provided in the following fiscal year. Discussion then centered on the alignment of Washington Boulevard upon the widening project, with Mayor Taylor noting it should be possible to widen on just one side of the road most of the length of the section to be widened, except for at the intersection with Elberta Drive where the road curves to the east. The City will likely end up needing additional ROW acquisition funds for the project and will apply for future grants for that purpose.

- Motor Pool
  - Pick-Up 79091 \$36,511
  - Snow Plow 79062 \$168,000
  - Mowhawk Lifts \$21,000

- Upgrade Fuel System \$10,300
- Skid Steer Loader – Split between Water, Storm Water, & MP \$29,000

Mr. Giles provided a brief description of each of the pieces of equipment to be purchased and the justification for each purchase. Council Member Urry stated he would like to have a spreadsheet detailing all of the vehicles owned by the City. Mayor Taylor stated he will be happy to provide that.

Council Member Satterthwaite inquired as to the amount of money that has been saved in the Motor Pool Fund to cover the purchases. Mayor Taylor stated there will be \$228,000 available in the next fiscal year and the Motor Pool fund earns approximately \$500,000 from contributions from different departments in the City. Council Member Satterthwaite stated he would like to have more detailed discussions regarding the Motor Pool fund at future meetings.

- Police Motor Pool
  - 3 Marked Chevy Silverados @\$40,104 per truck \$120,312
  - 1 Unmarked Chevy Silverado \$37,264

Chief Warren provided the justification for the equipment purchases.

Mayor Taylor concluded by summarizing comments he has received from different Council Members leading into the budget preparation process. He added that he and Mr. Steele have taken extensive notes today regarding the questions and concerns expressed by the Council and he will address those items during future budget meetings.

- Feedback from some Council Members on things to consider for this Budget
- **Employee compensation:**
  - I would like to see suggestions on how to keep good employees, including a way to move employees past entry level status once they have valuable experience and have proven themselves to be good employees. I am also anxious to review the compensation information Jim has requested from department heads.
- **Roads:**
  - One of the conclusions after last year's budget process was that we need more complete information about city assets like vehicles, roads, water meters, street lights, sewer lines, water lines, etc. So I requested that we identify and collect information about our city assets that would make it easy to manage the budget for needed maintenance, repair and replacement. The city manager agreed to get the information into GIS. For roads I anticipated collecting and populating the GIS database with information for each road segment to include info like initial construction date, age, last overlay, last crack seal, holes patched etc. We should look at what has been accomplished to date.
- **Street Lights:**
  - Street lights are another asset that should be tracked in GIS. For street lights I anticipated the database to have info like install date, age, light type (high pressure sodium or LED), last bulb replacement, etc. We should look at what has been accomplished to date.



- **Information Technology:**
  - I think our GIS system is underutilized. I understand that iWorQ is a great tool with some overlapping functions to GIS. However, last I checked there isn't a way to integrate the two databases. I would like to discuss the potential value of the information technology resources we have in the city and steps we can take to better use the information.
- **Water meters:**
  - We need to solve the failing water meter problem. We have talked about looking at the complete water system business model. We discussed briefly a different water user cost model that focuses on conservation. I hope to evaluate some water charging models and provide some results.
- **Dog Park**
  - One addition to the budget discussion I would like to include is the Dog Park. We have, as Jim accurately predicted, received quite an outpouring of comments from folks upset about the \$5 surcharge. While I do not understand the outcry, I think it should be discussed. I am still very much in favor of a North Ogden City dog park. A discussion about how to fund ongoing, however, is needed.
- **Water Meters**
  - I am hearing more and more concerns about our "estimation" method and only occasional meter reading. A discussion about the possibility of moving more quickly to the new system is needed.
- **Barker Park**
  - Our long range budget thinking should include the eventual completion of this park. How are we going to fund? Timing?

The Council then had a brief discussion regarding needed road projects in the City, as well as areas in the City where school crossing lights are needed. The Mayor added that the Police Department has identified suitable locations for new stop signs or flashing speed limit signs and those projects will be discussed during future budget meetings as well. Council Member Bailey added it may be appropriate to consider changing the striping of certain streets in the City, such as 1050 East. Council Member Swanson stated he would like to have some crosswalks and school crossing signs installed prior to the end of the school year, which would require a budget opening in the current fiscal year.

## 6. PUBLIC COMMENTS

There were no public comments.

**7. COUNCIL/MAYOR/STAFF COMMENTS**

There was a brief discussion about the City Council's schedule, with a brief focus on the upcoming Utah League of Cities and Towns (ULCT) conference. The Council also briefly discussed a Public Works Facility change order that will be included on the Council agenda for the March 10, 2015 meeting.

**8. ADJOURNMENT**

**Council Member Bailey motioned to adjourn the meeting. Council Member Stoker seconded the motion.**

**Voting on the motion:**

<b>Council Member Bailey</b>	<b>aye</b>
<b>Council Member Satterthwaite</b>	<b>aye</b>
<b>Council Member Stoker</b>	<b>aye</b>
<b>Council Member Swanson</b>	<b>aye</b>
<b>Council Member Urry</b>	<b>aye</b>

**The motion passed unanimously.**

**The meeting adjourned at 6:15 p.m.**

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Brent Taylor, Mayor

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S. Annette Spendlove, MMC  
City Recorder

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Date Approved





## Budget Retreat March 5<sup>th</sup>, 2015

- Agenda
  - Review of Prior Year Accomplishments
  - Purpose of today's retreat and future retreats
  - Revenue Projections
  - Fund Balances
  - General Expenditure Items
    - Salaries, Health Insurance, Retirement, Parks Department Employees, Engineering Fees, Building Maintenance Fund, Motor Pool Fund, Utility Fees
  - Capital Facilities Update
  - Capital Projects
  - Council Feedback



## Review of Prior Year Accomplishments



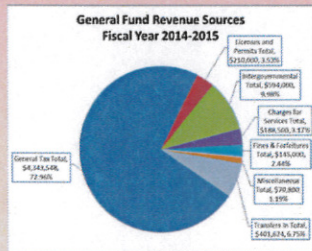
## Today's Retreat vs Future Retreats

- Today's retreat will for the most part focus on the bigger picture items. We will review the Capital Projects being considered for this year.
- Future retreat(s) will focus on the budget details and will review departments budgets.





## Revenue Sources – General Fund



## Financial Conditions

### Sales tax

	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011
July	\$ 199,728.88	\$ 193,319.14	\$ 196,398.22	\$ 181,402.47	\$ 169,971.86
Aug	\$ 170,349.82	\$ 158,304.31	\$ 137,989.56	\$ 131,730.32	\$ 135,876.74
Sep	\$ 174,735.57	\$ 168,863.89	\$ 163,949.34	\$ 145,083.80	\$ 144,115.29
Oct	\$ 207,107.02	\$ 185,513.85	\$ 176,539.63	\$ 169,279.36	\$ 149,900.06
Nov	\$ 170,413.99	\$ 150,495.04	\$ 145,082.08	\$ 134,241.29	\$ 138,881.50
Dec	\$ 171,896.35	\$ 153,495.46	\$ 152,850.19	\$ 133,773.40	\$ 132,816.14
Jan	\$ 255,519.50	\$ 218,885.99	\$ 207,566.00	\$ 200,435.03	\$ 186,346.85
Feb	\$ 169,676.63	\$ 154,655.78	\$ 154,014.17	\$ 133,938.28	\$ 137,107.78
Mar	\$ 166,168.28	\$ 150,541.80	\$ 146,657.75	\$ 138,841.88	\$ 129,174.43
Apr	\$ 217,040.41	\$ 197,826.38	\$ 191,021.55	\$ 185,799.18	\$ 162,542.95
May	\$ 199,681.84	\$ 183,527.41	\$ 128,119.09	\$ 126,048.60	\$ 112,510.42
Jun	\$ 180,585.09	\$ 164,588.90	\$ 155,395.73	\$ 143,527.59	\$ 129,456.91
	\$ 2,241,878.77	\$ 2,042,027.78	\$ 1,956,523.75	\$ 1,843,286.20	\$ 1,790,703.08



## Sales Tax Revenue (continued)

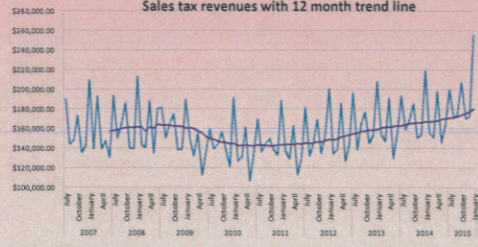
26% of our Sales Tax Revenue comes from Point of Sale, 74% comes from Population Distribution

	2013	Population	POS	2014	Population	POS	Increase/(Decrease) over last year	Increase/(Decrease) over last year - Running Total
January	\$ 152,880.88	\$ 115,786.76	\$ 177,061.99	\$ 153,496.46	\$ 114,269.81	\$ 191,285.85	\$ 644.97	\$ 11,964.76
February	\$ 207,566.00	\$ 153,257.42	\$ 161,308.53	\$ 218,885.99	\$ 157,035.53	\$ 161,790.46	\$ 11,319.96	\$ 12,608.37
March	\$ 154,014.17	\$ 115,108.24	\$ 138,905.93	\$ 154,655.78	\$ 116,153.05	\$ 138,502.73	\$ 641.81	\$ 16,490.42
April	\$ 146,657.75	\$ 106,979.20	\$ 99,678.55	\$ 150,541.80	\$ 113,376.24	\$ 97,165.56	\$ 3,884.05	\$ 23,315.25
May	\$ 191,021.55	\$ 143,646.98	\$ 127,354.62	\$ 197,826.38	\$ 146,619.57	\$ 151,186.81	\$ 6,824.83	\$ 30,723.64
June	\$ 128,119.09	\$ 92,852.61	\$ 96,286.42	\$ 145,527.41	\$ 106,769.84	\$ 98,757.48	\$ 16,608.39	\$ 48,936.81
July	\$ 155,395.73	\$ 116,344.21	\$ 99,051.52	\$ 164,588.90	\$ 119,250.75	\$ 45,348.15	\$ 9,203.17	\$ 55,336.55
August	\$ 193,319.14	\$ 144,786.84	\$ 48,532.30	\$ 199,728.88	\$ 148,523.67	\$ 51,205.21	\$ 6,409.74	\$ 67,362.06
September	\$ 158,304.31	\$ 120,870.36	\$ 77,433.95	\$ 170,349.82	\$ 126,367.32	\$ 43,962.50	\$ 12,045.31	\$ 79,253.94
October	\$ 168,863.89	\$ 127,492.87	\$ 41,370.62	\$ 174,735.57	\$ 131,980.66	\$ 42,754.91	\$ 5,877.88	\$ 94,847.11
November	\$ 185,513.85	\$ 138,409.32	\$ 47,104.53	\$ 207,107.02	\$ 147,808.32	\$ 59,298.70	\$ 21,939.17	\$ 114,766.05
December	\$ 150,495.04	\$ 115,463.60	\$ 35,031.44	\$ 170,413.99	\$ 123,879.08	\$ 46,134.91	\$ 19,918.95	
	\$ 1,993,100.95			\$ 2,107,867.01				



## Sales Tax Trend

Sales tax revenues with 12 month trend line







## Property Tax Distribution

- Property Tax Assessment Distribution for North Ogden City residents

North Ogden City Tax Assessment Distribution	
Weber School District	0.006526 45%
Weber County General Fund	0.002033 14%
Weber County G.O. Bond Fund	0.000302 2%
North Ogden City	0.001584 11%
North View Fire Dist	0.001093 8%
Central Weber Sewer Distr	0.000838 6%
Library	0.000662 5%
Paramedic Fund	0.000222 2%
Assess & Collect / County	0.000394 2%
Weber Area 911 And Em Serv	0.000303 2%
Mosquito Abatement Distr	0.000141 1%
Weber Basin Water - General	0.000198 1%
Ben Lomond Cemetery Distr	0.000083 1%
Weber / Morgan Health	0.000125 1%
Assess & Collect / State	0.000013 0%



## Property Tax Rate Comparisons

- Weber County Property Tax Rate Comparisons

Entity Name	750 10-Current Tax Rate
3050-OGDEN CITY	0.003367
3120-WASHINGTON TERRACE CITY	0.003101
3100-SOUTH OGDEN CITY	0.003351
3090-ROY CITY	0.002285
3040-NORTH OGDEN CITY	0.001584
3030-HUNTSVILLE TOWN	0.001445
3070-PLEASANT VIEW CITY	0.001292
3020-HARRISVILLE CITY	0.001239
3080-RIVERDALE CITY	0.001242
3110-UNTAM CITY	0.001029
3010-PARK WEST CITY	0.000691
3025-HOOVER CITY	0.000628
3060-PLAIN CITY	0.000548



## Historical Property Tax Revenue

2015	\$	1,100,000
2014	\$	1,081,000
2013	\$	1,028,161
2012	\$	982,270
2011	\$	928,235



## Building Permit Information

Fiscal Year	# of New Home Permits	Building Permit Fee Revenue	Plan Check Fee Revenue
2009-2010	36	\$118,822.22	\$40,836.79
2010-2011	24	\$89,659.35	\$25,792.53
2011-2012	63	\$162,521.19	\$60,382.50
2012-2013	63	\$195,671.17	\$72,567.46
2013-2014	53	\$189,785.43	\$82,580.94
2014-2015- YTD	44	\$139,822.56	\$54,277.52



## Transportation Funding

- Legislature is considering adopting additional funding resources for municipalities:
  - .10% increase in sales tax.
  - An increase in the fuel tax is also being considered. Currently the Fuel tax is 24.5 cents per gallon and would change to a sales tax based on the rack price of a barrel of oil. If passed this will not take effect until July of 2016.
  - We believe either proposal would bring in at least \$200,000



## Street Light/Street Maintenance Utility Funds

- A \$1 charge in Utility Fees equates to \$68,400 in annual revenue
- Funds would be set up so any revenue brought in by a charge to a residence would be dedicated for expenditure of that purpose



## Estimated Fund Balances

- General Fund - \$850,000 (Approx 15% of G.F. Revenues)
- Capital Projects Fund - \$319,753
- Water Fund - \$1,961,668 (Takes into consideration purchase of water meters)
- Sewer Fund - \$1,531,283
- Storm Water - \$1,937,019
- Solid Waste - \$28,461
- Motor Pool - \$228,949
- Police Motor Pool - \$91,534
- RDA - \$980,184







## General Budget Items

- Salaries
  - For each 1% salary increase –
    - Increase to General Fund of \$34,000, Enterprise Funds \$5,500
  - Handouts from Annette
    - Methodology
  - Does Council have direction of how they would like staff to proceed in regards salary adjustments?
    - Options
      - Work towards an equity adjustment for employees (salary survey)
      - Merit increase based on performance evaluations
      - Combination of the 2
      - Take no action



## General Budget Items (cont.)

- Health Insurance
  - Will estimate high with a 10% increase built into the budget
  - Still will offer Traditional and HDHP Health Plan
    - There are 34 employees on the Traditional Health Plan
    - There are 10 employees on the HDHP
  - Background
    - We offered the HDHP as a way to save the City money.
    - The City pays 85% of the Traditional Health Plan premium
    - The City pays 90% of the HDHP premium
    - This was done to incentivize employees to go to the HDHP which would save the City money. This will be the 3<sup>rd</sup> year of offering the HDHP.
    - Does the City Council want to equalize the percentage of premium paid for the 2 health plans?
      - » If the City pays for 90% for all plans, it would cost the city about \$22,000



## General Budget Items (cont.)

- Retirement
  - Good news – there will be no increase in the City's required contribution to the Utah Retirement System for employees



## Parks Department staffing

- History –
  - Last year the Parks Department hired 2 Perm PT employees to replace a FT Assistant Park Supervisor. However this brought about some challenges. Because the employees were not FT they did not qualify for some benefits and chose to look for other jobs.

2013-2014		
	Parks Supervisor	
	Assistant Park Supervisor	Assistant Park Supervisor/Aquatic Tech
	Seasonal Employees (4) Parks Worker 1 (2)	
2014-2015		
	Parks Supervisor	
	Perm PT Parks Worker (2)	Assistant Park Supervisor/Aquatic Tech
	Seasonal Employees (4) Parks Worker 1 (2)	



## Parks Department staffing

- Proposal – Return to having one F/T person (an Assistant Parks Supervisor). We would look at reassigning/retitle this position in order to find someone qualified to help with the sprinkler systems.
- An analysis of the effect of hiring this person for the rest of this Fiscal Year is below:

Budget as of 3/7/2018 \$99,212.29				
	Cost Per Week	# of Employees	# of Weeks	Total Cost
F/T Employee	\$ 1,175.00	1	26	\$27,550.00
Seasonal Employees	365.00	4	26	\$37,700.00
Remaining Budget				\$ 33,962.29

- For a full Fiscal Year this would be about a \$22,500 increase in personnel costs (assuming the employee takes most expensive health insurance)



## Engineering Fees

- Analysis of Fees paid to Jones & Associates over last 5 Fiscal Years

2010	\$ 116,861
2011	\$ 95,670
2012	\$ 160,436
2013	\$ 157,781
2014	\$ 152,748
2015-YTD	\$ 161,034

- However, there have been bigger projects they have worked on this year including
  - Public Works Building
  - General Plan Update
  - Monroe Blvd
  - Restroom Renovation
  - Support for writing of Grant Applications



## Building Maintenance & Motor Pool Funds

- With the completion of the PW Building this year, will look at setting up the Building Maintenance Fund
  - This would be set up similar to the Motor Pool Fund. It would help collect depreciation on buildings to save for future capital needs.
- As a reminder we will plan on fully funding the Motor Pool Fund this year as has been planned for in the past couple of years. –
  - \$73,000 General Fund, \$43,000 Enterprise Funds



## Utility Fees

- Will make recommendations for increases
  - As a reminder
    - Water Fund was short from fully funding itself - \$2.50 per residence per month
      - Will also evaluate the usage rate structure. Will more than likely modify to encourage conservation
    - Sewer Fund was short from fully funding itself - \$.75 per residence per month
    - Storm Water Fund was short from fully funding itself - \$1.15 per residence per month
    - Solid Waste Fund was fully funding itself – may recommend rate decrease this year for this Fund.





## Capital Facilities Plan

- In reviewing Capital Projects this year, it was determined that we need to update our Capital Facilities Plan. The original Plan was created in 1997 and was updated in 2006. However the update in 2006 was mainly crossing off those projects that had been completed since 1997.
- Need to update our plan so we can correctly update our impact fees.
- Also need to update our plan so our 5-10 year plan is accurate. A lot of the projects from the 1997/2006 plan were no longer applicable.



## Review of Maps

- Sidewalk
- Street Lights
- Street Maintenance
- Water
- Sewer
- Storm Water



## 2015-2016 Capital Projects/ Capital Equipment Requests

- Parks, Recreation, & Aquatic Center

Parks & Rec Capital Project Considerations for 2015-2016 Budget

Project	Cost
Renovate Oaklawn Restroom - CDBG Grant (\$233,000)	\$320,000
Resurface Walking Trails at McGriff Park	\$40,000
Landscaping City Hall	\$5,000
Pave Picnic Area at Oaklawn Park	\$25,000
Fence P&R Admin Building	\$3,200
Slide Replacement for toy feature at Pool	\$5,000
Replace Heating System at Pool Locker Rooms	\$2,200
Install Gate at Pool	\$1,500
Replace Kubota Tractor - (Motor Pool Fund)	\$45,000
Replace 2 Utility Trailers - (Motor Pool Fund)	\$3,500
100 Gallon Pesticide Sprayer	\$4,500
IMC Trail Connection to Smith's - RDA Fund	\$17,500
Dog Park Construction - Paid for with Dog License Surcharge Fees	\$4,500



## 2015-2016 Capital Projects/ Capital Equipment Requests

• Water

### Water Dept Capital Project Considerations for 2015-2016 Budget

Project	Cost
Equipping new well	\$600,000
Waterline Replacement - Coldwater Subdivision	\$400,000
Polaris Ranger	\$14,000



## 2015-2016 Capital Projects/ Capital Equipment Requests

• Sewer

### Sewer Dept Capital Project Considerations for 2015-2016 Budget

Project	Cost
Sewer Main Rehab	\$300,000
Manhole Rehab	\$20,000
Sewer Line Flush Truck	\$400,000
Replace Pick Up Truck	\$36,511



## 2015-2016 Capital Projects/ Capital Equipment Requests

• Storm Water

### Storm Water Dept Capital Project Considerations for 2015-2016 Budget

Project	Cost
1500N Piping to Mud Creek Basin - (This Fiscal Year??)	\$250,000
Cold Creek Village Regional Detention Basin	\$310,000
Leaf Truck	\$190,000



## 2015-2016 Capital Projects/ Capital Equipment Requests

• Streets

### Street Department Capital Project Considerations for 2015-2016 Budget

Project	Cost
Maintenance Projects - Overlays, Seals etc	\$425,000
Purchase of ROW for Washington Blvd widening - Weber County Grant	\$2,464,000





## 2015-2016 Capital Projects/ Capital Equipment Requests

- Motor Pool

### Motor Pool Capital Equipment Considerations for 2015-2016 Budget

Project	Cost
Pick-Up 79091	\$36,511
Snow Plow 79062	\$168,000
Snow Plow 79027	\$168,000
Mohawk lifts	\$21,000
Upgrade Fuel System	\$10,300
Skid Steer Loader - Split between Water, Storm Water & Motor Pool	\$29,000



## 2015-2016 Capital Projects/ Capital Equipment Requests

- Police Motor Pool

### Police Motor Pool Capital Equipment Considerations for 2015-2016 Budget

Project	Cost
3 Marked Chevy Silverados @ \$40,104 per truck	\$120,312
1 Unmarked Chevy Silverado @ \$37,264	\$37,264



## Mayor/Council Comments

- Feedback from some Council Members on things to consider for this Budget
- Employee compensation:
  - I would like to see suggestions on how to keep good employees, including a way to move employees past entry level status once they have valuable experience and have proven themselves to be good employees. I am also anxious to review the compensation information Jim has requested from department heads.
- Roads:
  - One of the conclusions after last years budget process was that we need more complete information about city assets like vehicles, roads, water meters, street lights, sewer lines, water lines etc. So I requested that we identify and collect information about our city assets that would make it easy to manage the budget for needed maintenance, repair and replacement. The city manager agreed to get the information into GIS. For roads I anticipated collecting and populating the GIS database with information for each road segment to include info like initial construction date, age, last overlay, last crack seal, holes patched etc. We should look at what has been accomplished to date.



## Mayor/Council Comments

- Street Lights:
  - Street lights are another asset that should be tracked in GIS. For street lights I anticipated the database to have info like install date, age, light type (high pressure sodium or LED), last bulb replacement etc. We should look at what has been accomplished to date.
- Information Technology:
  - I think our GIS system is underutilized. I understand that Iworp is a great tool with some overlapping functions to GIS. However, last I checked there isn't a way to integrate the two databases. I would like to discuss the potential value of the information technology resources we have in the city and steps we can take to better use the information.
- Water meters:
  - We need to solve the failing water meter problem. We have talked about looking at the complete water system business model. We discussed briefly a different water user cost model that focuses on conservation. I hope to evaluate some water charging models and provide some results.



## Mayor/Council Comments

- **Dog Park**
  - One addition to the budget discussion I would like to include is the Dog Park. We have, as Jim accurately predicted, received quite an outpouring of comments from folks upset about the \$5 surcharge. While I do not understand the outcry, I think it should be discussed. I am still very much in favor of a North Ogden City dog park. A discussion about how to fund ongoing, however, is needed.
- **Water Meters**
  - I am hearing more and more concerns about our "estimation" method and only occasional meter reading. A discussion about the possibility of moving more quickly to the new system is needed.
- **Barker Park**
  - Our long range budget thinking should include the eventual completion of this park. How are we going to fund? Timing?



## Mayor/Council Comments

- Other comments??
- **Process from here**
  - We will begin to compile the preliminary budget
  - Review Council's goals & requests and adopt those into the budget
  - Schedule another budget retreat